

## Essential elements of a partnership agreement - tool for project promoters

### Checklist To Form A 'Partnership Agreement'<sup>1</sup>

When forming a partnership, discuss and define the following elements that shape the partnership and formalise them in a 'partnership agreement'.

ESSENTIAL ELEMENTS IN A PARTNERSHIP AGREEMENT	DESCRIPTION AND TIPS
<b>WHO?</b>	
<p>Who is the lead partner?</p> <p>Who are the partners?</p>	<p>During the partner selection, the partnership needs to decide which human and financial resources (such as physical space, expertise, skills, relationships, products, financial resources) are needed for its work and which potential partner can best bring these to the table.</p> <p>It is also important to identify wider stakeholders and relevant connections to on-going local, national, and regional change processes that will inform mainstreaming work (adapting and institutionalizing results) from the start.</p> <p>This may involve a resource mapping exercise.</p>
<b>WHY?</b>	
<ul style="list-style-type: none"> <li>• Objectives of the partnership</li> <li>• Nature of the agreement (e.g. grant, service contract, other)</li> <li>• Content of the project (objectives, results to be achieved, eligibility period)</li> <li>• Reference to donor/subsidy contract (if any)</li> <li>• Duration</li> <li>• Partnership principles</li> </ul>	<p>In a partnership agreement, it is important to define the objectives of the partnership. To do so, it is useful if the partners identify:</p> <ul style="list-style-type: none"> <li>• The overarching drivers common to all partners in the point of engaging in a partnership.</li> <li>• The reasons for involvement of each of</li> </ul>

<sup>1</sup> The proposed tool is the result of a re-elaboration of three sources: a) Interact, Harmonised implementation tools for Interreg Programmes-TN/CBC. Factsheet: Project partnership agreement; b) The Partnering Initiative, Partnering agreement template, available at: <https://tpiglobal.org/wp-content/uploads/2022/08/02-Partnering-agreement-template.pdf>; c) European Commission (2004), EQUAL Guide for Development Partnerships. Learning from the experience of EQUAL partnerships

<ul style="list-style-type: none"> <li>• Values of partnership and of partners.</li> </ul>	<p>the partners</p> <ul style="list-style-type: none"> <li>• The expectations that each partner has from the partnership.</li> </ul> <p>This exercise may produce a vision statement. Tip: Make sure that it is the group and not an individual who drives the partnership's vision forward and ensure the vision is realistic!</p>
<p><b>WHAT?</b></p>	
<ul style="list-style-type: none"> <li>• Context and target of the partnership activities</li> <li>• Expected activities.</li> <li>• Roles and responsibilities of each of the partners, including overall project management assignments</li> <li>• Resource commitments (what each partner brings to the table)</li> <li>• Budget (internal and external resources)</li> <li>• How to measure progress and success.</li> </ul>	<p>Partners can develop an initial theory of change to define their mission and the expected activities.</p> <p>It is vital to ensure that roles are clearly defined and understood across the partnership. To decide who does what, carry out an analysis of capacities, skills, qualities, resources, and motivation. Tip: Define clearly and carefully who will take which role and why!</p>
<p><b>HOW?</b></p>	
<ul style="list-style-type: none"> <li>• Governance structure including decision-making principles and procedures.</li> <li>• Operational structure and work arrangements</li> <li>• Internal communication</li> <li>• Financial arrangements</li> <li>• Reporting obligations and procedures for project partners, including reporting deadlines reporting on outputs indicators as foreseen in the project, targets to be reached (e.g., milestones) and consequences for not reaching them.</li> <li>• Measures to strengthen partner capacity to implement commitments where necessary.</li> <li>• Timeframe and procedure for ongoing partnership/project review and revision</li> <li>• Metrics for tracking and measuring partnership performance.</li> <li>• Closure arrangements, in particular financing for reporting activities after the eligibility period.</li> </ul>	<p>The choice of the governance and operational structures needs to reflect the aims, the context, and the culture of the partnership. Steering groups, management committees, advisory bodies, task forces, monitoring committees, etc. are used to let members of the partnerships participate at different levels of operations and with different levels of authority.</p> <p>Partnerships also face choices between a centralised management system, usually by one of the partner organisations acting on behalf of the partnership, or a more flexible and decentralised system in which different partners carry out different management tasks.</p> <p>A partnership to be sustainable needs to be adequately staffed. The right number of human resources, with the right profiles, motivation, and adherence to the partnership's values, have to be ensured.</p> <p>It is also important to establish monitoring procedures during the initiation phase of the partnership, as well as to set up evaluation mechanisms. The best is when evaluation is</p>

	<p>ongoing and provides opportunities to learn from doing and make adjustments to improve the ways of working.</p> <p>Clarity and clear communication within the partnership is vital not only during the initiation process, but also throughout the whole duration of the partnership, so that all partners are informed about key issues. This involves regular, accessible, and succinct information sharing between partners.</p> <p>It is important to foresee a decision-making process about what should happen after a partnership has completed its work. This might involve agreement on an appropriate conclusion to a partnership or developing further work. This includes asking questions about whether the partnership must necessarily persist in its own right; what strategies need to be in place to ensure some form of continuity and who should take responsibility for developing these.</p>
<p><b>WHAT IF?</b></p>	
<ul style="list-style-type: none"> <li>• Identification of risks and mitigation plan and measures</li> <li>• Conflict resolution mechanism</li> <li>• Rules for individual partners to leave or join and procedures to replace a partner</li> <li>• Exit ('moving on') strategy for partnership as a whole</li> <li>• Financial liabilities: Consequences/penalties in case of failures to deliver and in case of irregularities. Recovery obligations and procedures, i.e., procedures for reporting irregularities, procedures for withdrawal and recovery of unduly paid amounts, deadlines for repaying funds. Bank guarantees, if foreseen.</li> <li>• Rules for amendments to the agreement, as well as conditions for project changes, budget shifts, and deviation from the activities approved in the project</li> <li>• Applicable law, legal succession, and litigation.</li> </ul>	<p>It is important that problem-solving mechanisms are in place within a partnership so that there are established processes for dealing with issues that may cause conflict.</p> <p>This involves encouraging transparency and openness so that problems can be defined and reflected upon.</p>
<p><b>EXTERNAL COMMUNICATION AND INTELLECTUAL PROPERTY RIGHTS</b></p>	
<ul style="list-style-type: none"> <li>• Obligations and rights related to information</li> </ul>	

<p>and publicity</p> <ul style="list-style-type: none"><li>• Rules for branding (using own, each other's) and other rules for the public profile of the partnership</li><li>• Intellectual property rights</li><li>• Confidentiality rules</li><li>• Protocols for communicating externally.</li><li>• Sustainability strategy for sustaining partnership outcomes.</li></ul>	
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